



February 10, 2009

HOUSE BILL No. 1529

DIGEST OF HB 1529 (Updated February 9, 2009 10:31 am - DI 75)

Citations Affected: IC 24-5.

Synopsis: Gift cards. Provides that a person may not issue a gift card that is subject to an expiration date or a fee.

Effective: July 1, 2009.

**Candelaria Reardon, Eberhart,
Stevenson, Cherry**

January 16, 2009, read first time and referred to Committee on Commerce, Energy,
Technology and Utilities.
February 10, 2009, amended, reported — Do Pass.

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HB 1529—LS 6270/DI 110+



February 10, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1529

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-5-26 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]:

4 Chapter 26. Gift Cards

5 Sec. 1. (a) As used in this chapter, "gift card" means a record
6 evidencing a promise, made for consideration, by the seller or
7 issuer of the record that goods or services will be provided to the
8 holder of the record for the value shown in the record.

9 (b) The term includes the following:

10 (1) A gift certificate.

11 (2) A stored value card or certificate.

12 (3) An online gift account.

13 (c) The term does not include a prepaid calling card used to
14 make telephone calls.

15 Sec. 2. As used in this chapter, "person" means an individual, a
16 corporation, the state or its subdivisions or agencies, a business
17 trust, an estate, a trust, a partnership, an association, a

HB 1529—LS 6270/DI 110+



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cooperative, or any other legal entity.

Sec. 3. (a) Except as provided in this section, this chapter applies to gift cards that are issued after June 30, 2009.

(b) The following do not apply to section 4 of this chapter:

(1) A gift card issued without consideration by a person under an awards, loyalty, or promotional program.

(2) A gift card issued by either of the following:

(A) A financial institution (as defined in IC 22-2-4-1).

(B) A person licensed by the department of financial institutions under IC 28-8-4.

(3) A gift card issued for less than face value to:

(A) an employer;

(B) a charitable organization exempt from federal taxation under Section 501 of the Internal Revenue Code; or

(C) a nonprofit organization.

(4) A gift card that is sold by:

(A) a charitable organization exempt from federal taxation under Section 501 of the Internal Revenue Code; or

(B) a nonprofit organization.

(5) A gift card that an employer issues to an employee in recognition of services performed by the employee.

Sec. 4. (a) A person may not issue a gift card that is subject to:

(1) an expiration date; or

(2) a fee, including a service fee, maintenance fee, dormancy charge, or inactivity charge.

(b) A gift card may be subject to an initial fee at the time the gift card is issued.

Sec. 5. A provision in an agreement creating a gift card that conflicts with this chapter is void.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Energy, Technology and Utilities, to which was referred House Bill 1529, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 7 through 8, begin a new line block indented and insert:

"(2) A gift card issued by either of the following:

(A) A financial institution (as defined in IC 22-2-4-1).

(B) A person licensed by the department of financial institutions under IC 28-8-4."

and when so amended that said bill do pass.

(Reference is to HB 1529 as introduced.)

MOSES, Chair

Committee Vote: yeas 11, nays 0.

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